MEDICAID MEMO

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TO: Virginia Medicaid Participating Healthcare
Providers and Managed Care Organizations

FROM: Patrick W. Finnerty, Director
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DATE: 2/9/2007

SUBJECT: National Provider Identifier (NPI) Update: DMAS Dual Use Period –
March 26 - May 22, 2007

The purpose of this Medicaid Memorandum is to update healthcare providers about the Department of Medical Assistance Services' (DMAS) National Provider Identifier (NPI) Dual Use Implementation. This is the fifth in a series of NPI Medicaid Memorandums, with previous communications published on February 27, 2006, June 16, 2006, October 4, 2006, and January 19, 2007.

DMAS has adopted the NPI as the standard for identifying <u>all</u> healthcare providers on <u>all</u> transactions (Automated Response System, Claims, Prior Authorizations), including paper claim submissions. (Note: If a provider is not eligible for an NPI, DMAS will be sending a separate Atypical Provider memo that will address Dual Use impact).

<u>DUAL USE PERIOD</u>

DMAS will support a Dual Use period beginning on March 26, 2007, and continuing through May 22, 2007. During this period, DMAS will allow use of either the current Medicaid Provider Identification Number or the NPI for both electronic and paper claim submissions. All claims submitted with an NPI will be processed using the NPI. Claims submitted with only the Medicaid Provider Identification Number will continue to be processed using this number. However, it is important to note that claims submitted with <u>both</u> an NPI and a Medicaid number will be processed using **only** the NPI <u>beginning March 26, 2007</u>. If you submit an electronic 837 claim transaction that includes your NPI, and you are receiving an electronic 835 remittance advice, your remittance will be generated using the NPI from your claim. If you use a clearinghouse, it is important that you contact your clearinghouse to ensure they have tested with First Health Services prior to submission of an NPI and that they only include an NPI on electronic claims submissions if the NPI has been shared with DMAS and you have received a Confirmation letter from us.

The Dual Use period will allow providers a period of time to verify that they are able to successfully transition to and use the NPI in all transactions. Providers will be able to continue using their current Medicaid Provider Identification Numbers if they do encounter any problems that need to be resolved during the Dual Use period. The Dual Use period also allows providers a window of time to transition to the NPI instead of being required to convert on the mandated May 23, 2007 NPI Compliance Date. After May 22, 2007, providers will no longer have the option of using their Medicaid Provider Identification Number as a contingency. Providers are strongly encouraged to take advantage of the Dual Use period and begin using NPIs on all transactions instead of waiting until the mandated NPI Compliance Date. This will ensure that there is no disruption in processing of claims and payments to providers on May 23, 2007.

Beginning with NPI Compliance on May 23, 2007, DMAS will accept claims with only an NPI. After May 22, 2007, DMAS will accept the Medicaid Provider Identification Number only in rare situations from providers who do not have an NPI (for example, because the provider has retired) **and** the date(s) of service on the claim is prior to May 23, 2007. In this situation, a claim or adjustment with a Medicaid Provider Identification Number must be submitted on a paper claim form.

PRIOR AUTHORIZATIONS

Dual Use will also apply to prior authorizations. During the Dual Use period providers can use either the NPI or Medicaid Provider Identification Numbers to obtain prior authorizations. If claims are submitted using the NPI, the prior authorizations against which the claims are submitted can contain either the NPI or the Medicaid Provider Identification Number. **Providers do not need to take any action on open prior authorizations containing Medicaid Provider Identification Numbers even if NPIs are being submitted on the claim.** A crosswalk will be in place to match claims to prior authorizations. Please note that these guidelines do not apply to pharmacy or pharmacy-related prior authorizations.

PHARMACY CLAIMS

Dual Use will also apply to pharmacy NCPDP batch and point-of-sale (POS) claim submissions. However, providers will not be able to submit both NPI and Medicaid Provider Identification Numbers on pharmacy batch and POS claims. Providers will need to submit these claims using either the NPI or Medicaid Provider Identification Number through the Dual Use period from March 26, 2007 – May 22, 2007.

CLAIMS STATUS INFORMATION

During the Dual Use period, the web-based Automated Response System (ARS), MediCall, and the EDI Batch 276-277 can be accessed using either the NPI or Medicaid Provider Identification Number. Claims status information requested using a Medicaid Provider Identification Number will only return responses for claims submitted using a Medicaid Provider Identification Number. However, if claims status information is requested using the NPI, all claims that match the request criteria will be returned on the response, including claims submitted with the NPI and claims submitted with Medicaid Provider Identification Number. In the latter case, the response will be formatted using only the NPI as the Provider Identifier.

GROUP BILLING

In concurrence with the transition to the NPI, DMAS is mandating the enrollment of Group Practices. Group Practice enrollment allows multiple fee-for-service practitioners to bill and be paid under one Group Practice NPI. All individual practitioners in the Group Practice must be enrolled in the Virginia Medicaid Program and have an individual NPI (Type 1). In addition, the Group Practice must enroll in the Virginia Medicaid Program and have an organization NPI (Type 2).

Providers who have completed the NPI Group Practice Enrollment process may begin Group Billing on March 26, 2007, by using their NPIs on their claim submissions. In order to begin group billing, providers will submit the Group's organization NPI (Type 2) as the Billing Provider, and the practitioner's individual NPI (Type 1) as the Rendering (Servicing) Provider on the claim submissions. DMAS will only accept NPIs on Group Billing claim submissions; Medicaid Provider Identification Numbers may not be used. For example, the Group may not bill using the organization's NPI for the Billing Provider and the Medicaid Provider Identification Number for the Rendering (Servicing) Provider. This applies to electronic transactions as well as paper claim form submissions. If you have yet to enroll your group or have questions related to enrolling your group practice, please see the "Sharing Your NPI" section of this memorandum for instructions on obtaining assistance and guidance.

MEDICARE CROSSOVER

In order for Medicare Crossover claims to be paid, NPIs used on claims submitted to Medicare must be enrolled with Virginia Medicaid. Medicare Crossover claims received with NPIs that are not enrolled with Virginia Medicaid will be denied beginning May 23, 2007.

Providers that currently have units, departments, or locations that are enrolled with Medicare but that are not currently enrolled with Virginia Medicaid will need to enroll those NPIs with Virginia Medicaid as Medicare Crossover Only providers. Currently, Virginia Medicaid links Medicare Provider Identification (Vendor) Numbers to Medicaid Provider Identification Numbers through a crosswalk in order to process certain Medicare Crossover claims. Virginia Medicaid will no longer be able to perform this crosswalk when using NPIs.

Group Practices that are enrolled with Medicare will need to enroll their organization's NPI as a Group Practice with Virginia Medicaid, and their individual practitioners as members of the group. Medicare Crossover claims received for Rendering (Servicing) Providers that are not enrolled with Virginia Medicaid as a member of the Group Practice identified as the Billing Provider will be denied.

Providers that need to apply as a Medicare Crossover Only provider should go to the DMAS Provider Enrollment web page http://www.dmas.virginia.gov/search.asp?Userid=2&type=8 to obtain the Medicare Crossover (QMB) Provider Enrollment Form.

BILLING INSTRUCTIONS

The Billing Forms and Instructions have changed with the use of NPI. Please refer to the Provider Manuals and EDI Companion Guides for detailed billing instructions:
- Provider Manuals: http://www.dmas.virginia.gov/prm-provider_manuals.htm
- EDI Companion Guides: https://virginia.fhsc.com/hipaa/CompanionGuides.asp

DMAS has also prepared an NPI Scenarios Presentation which outlines some high-level billing scenarios to assist healthcare providers in assessing how they need to enumerate their NPIs as well as describing when a taxonomy code is required. The NPI Taxonomy Summary document includes a list of DMAS Recommended Taxonomy Codes by Service Type. These documents are available on the DMAS website at: http://www.dmas.virginia.gov/npi-whats_new.htm. In some situations, DMAS is requiring taxonomy codes to be included on claim submissions. DMAS is also requiring the use of **nine** digit zip codes on all claim submissions. Following these instructions will facilitate correct claim payment.

ADVANCE PAYMENTS

DMAS will not issue advance payments to providers who have not:
- obtained an NPI
- shared the NPI with DMAS
- implemented changes in order to bill using the NPI
- billed correctly using their NPI

This applies to all transactions conducted during the Dual Use period and after the
May 23, 2007 NPI Compliance Date, including Group Billing, electronic transactions, and use of the CMS-1500 (08-05), UB-04, and DMAS 30/31 forms. In these situations DMAS will deny the claim and providers will need to re-bill correctly in order for payments to be processed.

AUTOMATED RESPONSE SYSTEM (ARS)

Registration for the new NPI Compliant User Administration Console (UAC) of the Automated Response System (ARS) is being implemented on February 19, 2007. Please refer to the January 19, 2007 Medicaid Memo (http://www.dmas.virginia.gov/pr-medicaid_memos_providers.htm) regarding the new web site for the ARS and National Provider Identifier (NPI) Compliance for the ARS.

The current version of the ARS will continue to be available through May 22, 2007, for users registered prior to March 19, 2007. All providers may begin registering to use the new ARS web site beginning February 19, 2007. The new ARS will allow access to claims status for bills submitted using an NPI or API once the Dual Use period begins on March 26, 2007.

All current ARS web site users will be required to enroll at https://virginia.fhsc.com/ and begin using the new ARS web site no later than May 22, 2007 in order to be NPI Compliant.

*Once users have successfully completed the registration process for the UAC, they may not begin to utilize its enhanced capabilities in conjunction with the **new** ARS until March 26, 2007. All users must continue using their existing ARS access until March 26, 2007, in order to obtain claims and eligibility information online.*

SHARING YOUR NPI

Obtaining your NPI from the National Plan and Provider Enumeration System (NPPES) and sharing your NPI with DMAS are two entirely separate actions. Once providers obtain an NPI from NPPES, they are responsible for sharing their NPI with DMAS and any other payors with whom they transact business in order to get paid.

As a healthcare provider you should have already obtained an NPI from NPPES (https://nppes.cms.hhs.gov), and enrolled your NPI with DMAS by responding to the NPI Re-Enrollment Packet or NPI Group Practice Enrollment Packet that was mailed to you.

If you have not shared your NPI with DMAS in this manner, then you need to complete your packet and send it to the First Health Provider Enrollment Unit (PEU) immediately. For a replacement copy of your NPI Re-Enrollment Packet, contact the First Health PEU at 1-888-829-5373 (In-state toll free) or 1-804-270-5105 (Outside Virginia).

If you are a group practice and not all of your providers have obtained their NPI or signed their Reassignment of Benefits Form, you are strongly encouraged to send in what you have completed. This will allow DMAS to enroll your group including those providers that have submitted complete information so that you are ready to transact business. You can always add (or delete) additional provider NPIs as necessary.

Providers who have not shared their NPI with DMAS will not be able to use their NPI during the Dual Use period. <u>Once Dual Use begins, claims submitted with an NPI will be rejected if DMAS has not previously received and approved your NPI Re-Enrollment forms, even if the claim also contains the Medicaid Provider Identification Number.</u>

PRIMARY INFORMATION

DMAS will accommodate a single NPI corresponding to multiple service locations. However, DMAS is requiring the following set of primary information to be unique for an NPI:

- Provider Name
- Correspondence Address
- Pay-To Address
- Remittance Advice Address
- EFT Account Number
- EIN/SSN for Tax/1099 purposes
- Service Center/Receiver for electronic 835 transactions sent to you by DMAS

Providers that have indicated that they will use the same NPI for multiple Medicaid Provider Identification Numbers will receive a Primary Information Letter from DMAS. This letter will ask the provider to identify which Medicaid Provider Identification Number on file with DMAS contains the correct Primary Information for the NPI. Providers who receive this letter will not be able to use their NPI in transactions until DMAS receives and processes a completed response to the Primary Information Letter.

NPI TRAINING AND EDUCATION

DMAS is conducting Web-Based Q&A sessions on topics associated with NPI such as group enrollment, billing, taxonomy, new claim forms (CMS 1500 and UB-04), and many other NPI related topics.   Visit   the   DMAS   Learning   Network   at   http://www.dmas.virginia.gov/LN-upcoming_events.htm for additional details on the new "WebEx" Web-Based training as well as other DMAS training opportunities.

DMAS   has   a   comprehensive   NPI   section   on   the   DMAS   website.   You   should   visit http://www.dmas.virginia.gov/npi-home_page.htm often for frequently asked questions and NPI related updates.

DMAS began scheduling NPI related trainings around the state in late January.   For more information visit our website at http://www.dmas.virginia.gov/LN-home.htm or call 804-786-1428 for training dates, times, and locations in your area.

DUAL USE SUPPORT

In the event that providers encounter problems using the NPI during the Dual Use period, the following resources will be available to assist you:

Claims Status, Recipient Eligibility, MediCall
DMAS Provider Helpline: 1-804-786-6273   Richmond area and Outside Virginia
                            1-800-552-8627   In-state, toll-free

EDI
First Health EDI Help Desk   1-800-924-6741

Prior Authorizations
KePRO   1-804-622-8900   Richmond area
                              1-888-827-2884   Toll-free

Provider Enrollment
First Health PEU   1-804-270-5105   Outside Virginia
                              1-888-829-5373   In-state, toll free

Pharmacy Point of Sale and Pharmacy-related Prior Authorizations
First Health Clinical Call Center   1-800-932-6648

Automated Response System (ARS)
First Health Services Web Support Call Center   1-800-241-8726

Dental Providers   1-888-912-3456